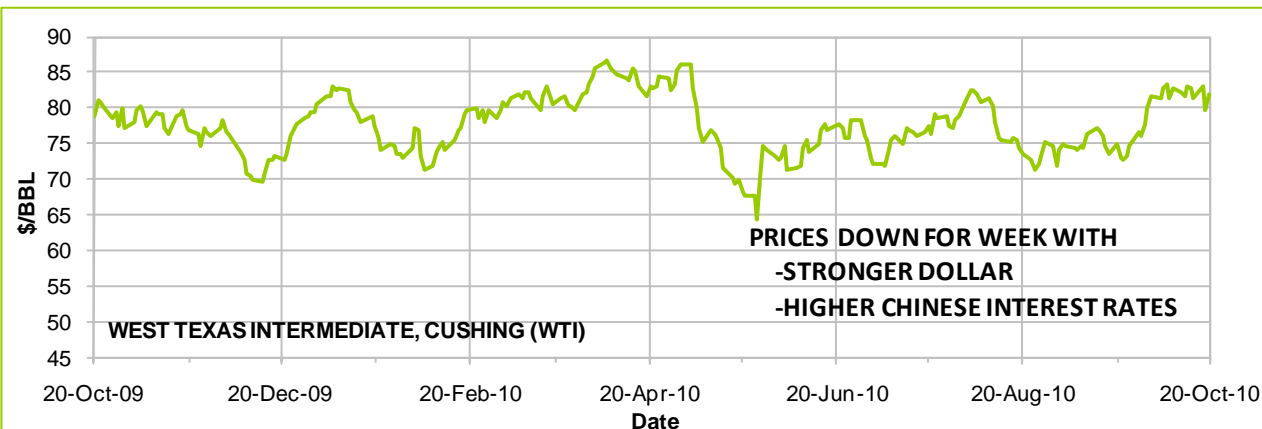


Crude Oil



Crude inventories rose by 0.7 million barrels this week compared to an expected increase of 1.6 million and a 5-year average gain of 2.4 million barrels. Increased crude flows to refineries offset the small increase in production leading to the smaller than expected increase in crude stocks. Inventories are 6.6% above last year and 11.7% above the 5-year average. Despite this week's smaller than expected injection, inventories are still at their highest level ever for this date.

Prices fell slightly for the week as China unexpectedly raised a key interest rate and the U.S. dollar strengthened against other currencies. Spot prices and futures prices fell \$1.10 and \$1.30 for the week. The spot price settled at \$81.91, only \$3.07 (3.9%) higher than a year ago. Futures prices were at \$84.54, \$3.35 (4.1%) higher than last year. Both prices are about 43% below their 2008 peak prices.

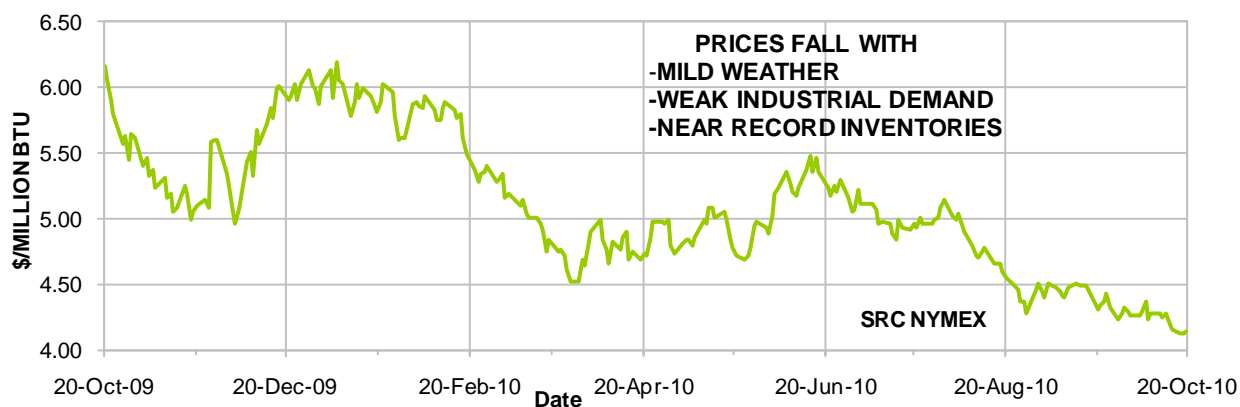


Natural Gas



Inventories grew this week by 93 BCF, the second consecutive week of record high growth. This was 4.5% above the expected gain and 75% above the 5-year average gain of 53 BCF. Over the past 31 weeks inventories have grown by 2,068 BCF, 11.5% higher than the normal gain of 1,855 BCF. At 3,683 BCF, this week's inventory level is 8.4% above the 5-year average and has narrowed the gap with last year's record high of 3,731 BCF to only 1.3%.

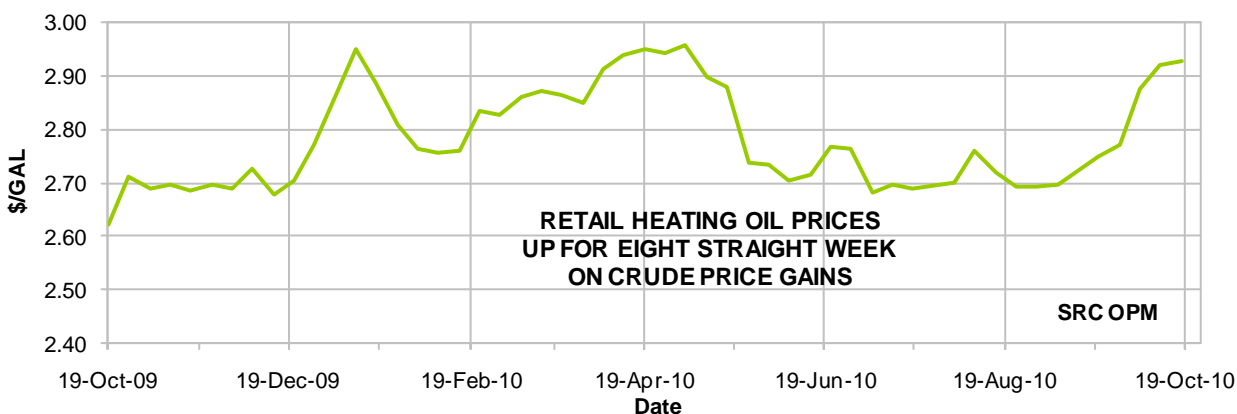
Futures and spot prices fell by almost \$0.13 per million BTU this past week with mild weather, no hurricane threats, weak industrial demand, and near record inventories. Futures prices have fallen by \$0.899 over the past 11 weeks. At \$4.140, they are 32.9% lower than a year ago and 69.0% below their 2008 peak. Spot prices have fallen by \$1.31 over the past 11 weeks. At \$3.470 per million BTU, they are 24.7% lower than a year ago and 73.9% below their 2008 peak price. The declines in both spot and futures prices reflect this year's near record high inventories, increase in production, and weak hurricane activity so far this season.





Distillate stocks fell by 2.155 million barrels this week compared to an anticipated decline of 1.0 million and a 5-year average decline of 1.033 million. Despite the decline, stocks are 0.03% above last year and are still at a record high for this date, 22.0% above the five-year average.

Prices have been following crude. The 12 month strip fell by 5.0 cents the past 2 weeks after rising by 30.2 cents over the previous six. It is now at \$2.309/gal, 15.5 cents (7.2%) higher than a year ago. The spot price fell by 5.3 cents over the past 2 weeks after rising by 32.2 cents over the previous six. At \$2.23 /gal, it is 22.3 cents (11.1%) above last year. Prices are 45% below their 2008 peaks. Retail prices rose by 0.8 cents this week and by 23.6 cents over the past 8 weeks. Retail prices are now at \$2.929/gal, 30.8 cents (11.8%) above a year ago but \$1.838 (38.6%) below their 2008 peak price. The highest price in this week's survey was \$3.499 and the lowest was \$2.640. According to census data, 49.1% of dwelling units in Connecticut heat with oil.



Connecticut Regional Heating Oil Prices

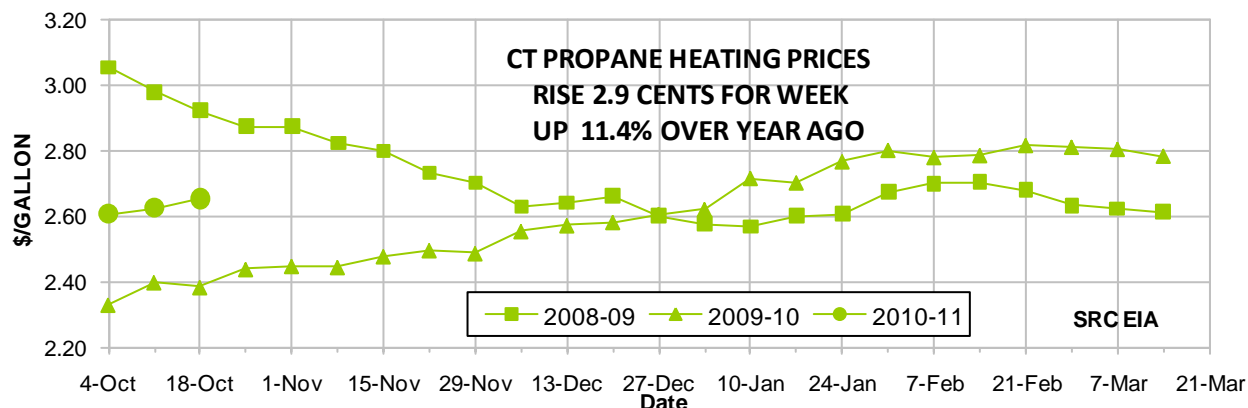
	FAIRFIELD			HARTFORD			NEW LONDON		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
19-Oct-09	2.671	2.999	2.300	2.650	2.999	2.399	2.703	2.899	2.529
4-Oct-10	3.015	3.499	2.640	2.894	3.199	2.549	2.855	2.999	2.720
11-Oct-10	3.046	3.499	2.690	2.918	3.199	2.699	2.916	3.100	2.720
18-Oct-10	3.052	3.499	2.640	2.930	3.199	2.649	2.911	3.070	2.720
	LITCHFIELD			MIDDLESEX			TOLLAND-WINDHAM		
	AVG	HIGH	LOW	AVG	HIGH	LOW	AVG	HIGH	LOW
19-Oct-09	2.605	2.699	2.449	2.641	2.699	2.590	2.559	2.649	2.449
4-Oct-10	2.847	2.899	2.699	2.913	3.099	2.720	2.824	2.929	2.649
11-Oct-10	2.911	2.979	2.849	2.956	3.099	2.810	2.871	2.999	2.749
18-Oct-10	2.931	2.999	2.799	2.949	3.099	2.810	2.883	2.999	2.749
	NEW HAVEN			OPM conducts a weekly survey of retail heating oil prices in Connecticut. These figures reference the most recent results of that survey for the reporting week beginning October 18, 2010. Figures reflect per gallon prices without discount. For more information, see www.ct.gov/OPM > Energy Management > Energy Price and Supply Information					
	AVG	HIGH	LOW						
19-Oct-09	2.545	2.799	2.329						
4-Oct-10	2.765	2.999	2.559						
11-Oct-10	2.832	3.049	2.599						
18-Oct-10	2.845	3.040	2.659						

Propane



Reversing 2 weeks of gains, inventories fell by 0.7 million barrels this past week, much worse than the 5-year average gain for this week of 0.02 million. Current storage levels now trail last year's levels by 11.5% and inventories have worsened to 4.6% below the 5-year average.

Spot propane prices have been generally tracking crude oil prices. They fell 8.7 cents during the past 2 weeks after rising by 24.1cents over the previous seven weeks. At \$1.183 per gallon yesterday, spot prices were 13.7 cents (13.1%) higher than a year ago but 40.2% lower than their peak 2008 price. The average Connecticut retail price for home heating was \$2.655/gal in this week's survey. This is 2.9 cents higher than last week and 27.2 cents (11.4%) higher than a year ago. According to census data, propane is used to heat 2.7% of homes in Connecticut.



Gasoline



Gasoline inventories rose unexpectedly by 1.2 million barrels this past week compared to an expected decline of 1.1 million and a 5-year average gain of only 7,000 barrels. Inventories levels are 5.8% above last year and are 9.3% above the 5-year average. Stocks remain at their highest level ever for this date.

Futures prices were down by 5.8 over the past 2 weeks after rising by 29.9 cents over the previous 6 weeks. At \$2.180/gal, futures prices are 6.8 cents (3.2%) higher than last year. At \$2.150/gal, the spot price is 14.5 cents (7.2%) higher than a year ago. Futures prices and spot prices are 39.6% and 37.0% below their 2008 peaks. Retail prices have been rising with crude prices. They rose by 3.9 cents this week and by 20.6 cents over the past 3 weeks. At \$2.998/gal, retail prices are 31.5 cents (11.7%) higher than a year ago but they are 31.7% (\$1.392) below 2008's peak.

